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the return to private management. During the months of April, May, and June 1950, the Tientsin Heng-yuan Yarn Plant instituted a red-flag production competition which raised yarn output 15.7 percent, and cloth output 29 percent, above the March figures. Pei-yang and Ta-sheng have also shown fine records.

Agricultural recovery, however, has been more difficult, owing largely to windstorms, drought, pests, hail, and floods, which devastated an area 45 million mou and imperiled 14 million people with imminent starvation in the fall of 1949. Moreover, the farming people's burdens have not yet been eased, since the district was only recently liberated. All of this, however, has not deterred the plans for production recovery. Through conservation in expenditures, the People's government has sent more than 300 million catties of relief grain into Hopeh and Pingyuan provinces. To provide funds for stock animals, water conservancy, etc., loans totaling 119 million catties of rice in value have been granted.

The total production for the North China Regional District has now reached 91 percent of the prewar level. Cotton acreage has exceeded the 1950 quota and the harvest has reached the prewar level. These successes are the fruits of land reform. During the winter of 1949 and the spring of 1950, over 10 million farming people in the district succeeded in accomplishing land reform.

The success of rural-urban trade during the past year has been outstanding within the general picture of industrial and agricultural production recovery. Under the powerful organization of state trade agencies and cooperatives, the state purchased more than 480 million catties of provisions from farming people between January and August 1950. In the period from September 1949 to August 1950, state purchases of cotton reached 1,550,000 market piculs. According to data covering the period from August 1949 to August 1950, state trade agencies have marketed to the farming communities a total of 120,000 bolts of cotton cloth, 17,000 bales of cotton yarn, and everyday commodities valued at 20 million yuan. The district now has over 12,000 basic-level cooperatives in the farming communities marketing articles of daily use.

Advancements in production and living standards have been accompanied by demands of workers and farmers everywhere for cultural training and for the opportunity to send their children to school. More than 710 after-hours schools have been established for workers in the principal mines and factories and in the municipalities of Peiping, Tientsin, T'ai-yuan, T'ang-shan, and Shih-chia-chuang. According to incomplete data from the provinces of Shansi, Chahar, Hopeh, and Pingyuan, there are now more than 11,000 people's schools capable of maintaining a regular schedule of classes. Within these same four provinces, there are now over 1,000 additional elementary schools, with an increase in attendance of 410,000 children.

At present, 100,000 Communist Party cadres are carrying out the rectification and education movement. In 1949, some 200,000 party members engaged in training activities; in 1950, these cadre-training activities will reach even greater proportions.

NORTHEAST CHINA MEETS MIDYEAR QUOTA -- Bangkok, Ch'uan-min Pao, 9 Oct 50

Mukden, 6 October (Hsin-hua) -- The people of Northeast China have achieved excellent results in their economic reconstruction during the past year.

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In the field of industry, the 1950 production quotas of the Northeast People's government are set at 193 percent of the 1949 quotas. It was planned that 41.7 percent of the 1950 quotas should be completed by midyear; actually, 44.1 percent had been completed by that time. Labor's production efficiency was 14.1 percent ahead of the quota after the first half of 1950. During the first quarter, coal prices fell 10.56 percent; steel, 7.9 percent; chemical engineering materials, 12.18 percent; paper, 9.53 percent; and textiles, 7.4 percent. Rail transport quotas were 54.1 percent completed at the midyear.

The 1950 quota for agricultural production, including the eastern district of Inner Mongolia, is 18 million tons of provisions. Surveys and reports from the various provinces indicate that production may exceed the quota by 750,000 tons. The average production per shang [one shang equals 7 mou] in 1950 may exceed the 1943 average by 204 chin, which would be 132 chin over the 1950 quota.

State trade organizations have marketed 67 percent of the farmers' commercial produce, 42 percent of their supplementary products, and state-produced commodities valued at 11.8 trillion [yuan]. The people's requirements have been met as follows: cotton cloth, 80 percent; table salt, 90 percent; and coal, 71 percent. Likewise, essential industrial raw materials and food for the urban populace have been supplied. In commodities essential to society, including wholesale lots to cooperatives and private commercial firms, the state trade enterprises in the Northeast Regional District have supplied approximately 44 percent of the total requirement.

By June 1950, there were over 11,600 cooperatives in the Northeast. Cooperatives have been established in 32 percent of the administrative villages, with a membership totaling 9,680,000 or 24 percent of the Northeast population. As of June 1950, capital funds of cooperatives had increased by 76 percent from December 1949 and the total evaluation of sales transactions had risen to 260 percent of the December figure.

The number of private factories in Mukden, as of June 1950, had risen 8.83 percent since December 1949; private capital had increased 86.6 percent; and the number of workmen employed at private plants had increased 41.85 percent. The total value of production in Mukden's private factories increased 15.2 percent over the whole of 1949 during the first 6 months of 1950. Although the number of private commercial firms in Mukden decreased somewhat, capital rose by 18.8 percent from December 1949 to June 1950. The total amount of trade, as of June 1950, had risen by 81.8 percent since December 1949.

As a result of widespread collective labor-management contracts signed within the 25 major enterprises in Mukden, the number of labor disputes dropped from 131 cases in December 1949 to 45 cases in April 1950.

Prices have been stabilized. The wage system was changed in April 1950 to include eight grades. The average wage rose 8 percent from December 1949 and the average technician's wage rose 38.9 percent. The actual expenditures from workmen's insurance and welfare funds toward medical, cultural, safety, and sanitation activities for the workmen amounted to 18 percent of the total amount of wages. A survey in the model village of K'o-shan shows that the farmer's purchasing power has risen from the 1948 base of 100, to 136 in 1949 and to 263 in 1950.

There are now 16 colleges (kao-teng hsieh-hsiao) in the Northeast, with 15,700 students. The number of middle schools has risen 12.7 percent since 1949 and the number of students has increased 38 percent. The number of teachers has risen 46 percent since 1949. More than 5,000 persons now attend workmen's middle schools or study groups. There are now 33,807 elementary schools in the Northeast, with 4,576,111 students. In the winter of 1949, the number of winter schools

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in the farming villages was 90.4 percent higher than in 1948 and the number of persons attending winter schools was 245 percent higher. Incomplete data list 3,874 workmen's cultural night schools and 297,096 persons in attendance. The Northeast New China Publishing House published 14,260,000 textbooks in various fields, 4,890,000 books /unspecified/, and 2,430,000 magazines. The Northeast now has more than 7,000 after-hours dramatics groups with over 200,000 persons participating.

Five of the six provinces in the Northeast have established all-circles delegates conferences which, in accordance with provisions of the Common Program, function in the absence of all-circles delegates congresses. In 56 municipalities (including hsien cities with a population of 30,000 or more) conferences have been convened from two to five times; in some of the municipalities, such conferences act in the absence of congresses. In 167 hsien, there have been two meetings; in 15 of these hsien, the conferences were convened in place of congresses. Of 1,877 ch'us, 84.6 percent have convened all-circles delegates conferences. Of 1,476 villages, 71.5 percent have held sessions of the conference.

EAST CHINA OVERCOMES INFLATION -- Bangkok, Ch'uan-min Pao, 10 Oct 50

Shanghai, 6 October (Hsin-hua) -- East China has overcome vast difficulties to achieve a magnificent victory during the past year. The Liberation Army has routed the enemy agents; the Air Force has been strengthened; the enemy's coastal blockade has been overcome. The East China Army now turns its efforts to preparations for the liberation of Taiwan and to the solidification of national defense.

In the field of industry and commerce, the People's government has widely instituted systems of control and administrative procedures to free the areas from dependence on imperialist economy. Some 1,800,000 persons, constituting 59 percent of the workmen in East China, have been organized. Price stabilization has effectively ended a 10-year period of inflation. From April to August 1950, the People's government in Shanghai farmed out a total of 96,986 bales of cotton yarn, 1,320,000 bolts of cotton cloth, and 1,080,000 bolts of patterned cloth to private textile mills for processing. Orders placed with the electrical equipment, machine, and steel industries amount to 26,600,000 parity units. Loans (including those granted by banks under joint public and private management) approximate 3,431,800,000 yuan.

Further Shanghai data are as follows:

	<u>May 1950</u>		<u>Aug 1950</u>	
<u>Action</u>	<u>Factories</u>	<u>Commercial Houses</u>	<u>Factories</u>	<u>Commercial Houses</u>
Applications to suspend operations	501	2,947	65	235
Applications to resume operations	[not given]	22	93	115
Applications for new establishments	21	72	73	786

In 1949, natural calamities were inordinately severe in Northern Anhwei, Northern Kiangsu, and Shantung. A total of over 5,300 mou of arable land was flooded and more than 16 million people were directly affected. Within a year,

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the East China Regional District has completed water conservancy earthwork to the extent of 196,700,000 fang [one fang is presumed to be equal to nearly 3 cubic meters] through the labors of some 3 million workers. Relief provisions totaled one billion chin. Water conservancy measures will prevent or reduce flood damage over an area of 23 million mou and extend the benefits of irrigation to 9 million mou of land outside the flood area. Estimates place the possible 1950 production of provisions in East China at a total of 56 billion chin, or 78 percent of the prewar level (71.9 billion chin). The total production in raw cotton is set at 3.6 million piculs or more, which is roughly 78 percent of the peak prewar output of 46 million piculs.

Advances have also been made in reconstructing the people's political rights. The membership in agricultural associations in the newly established East China Regional District numbers over 13 million. The pao-chia system has been abolished. All-circles people's delegates have established conferences in 405 hsiens, in all municipalities having a population of 3 million or more, and, on the higher level, in Chekiang Province, Shantung Province, and the administrative districts of Southern Kiangsu and Southern Anhwei.

Cultural training has progressed during the year. The People's government is also helping in the maintenance or reconstruction of existing schools both public and private. Relief measures have been taken to aid unemployed teachers and persons of school age who are not attending school. Industrial and agricultural cadres are given supplemental cultural schooling and a large number of cadres are being trained for land-reform duties. Incomplete data indicate that East China has now organized 2,000 after-hours schools for workmen, training some 200,000 students (mainly in the larger municipal centers). During the winter of 1949, more than 3 million farming people took part in the educational program (chiefly in the former District of Shantung). The level of the people's political culture has begun to rise, along with increased activities in sanitation measures and added interest in the humanities.

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